

Farm Business Debt Rose \$5 Billion in 1996

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In 1996, farm debt reached its highest level since 1986, but farm equity rose as gains in asset values outpaced the increase in debt. California carried the largest total farm business debt, followed by Iowa and Texas. Banks' share of farm business lending decreased for the first time in 15 years.

Debt Increase Moderate, Given the Sector's Healthy Financial Condition

Total farm business debt rose more than \$5 billion during 1996, reaching over \$156 billion, the highest since 1986. The 1996 increase marked the fourth consecutive year of rising debt. This growth in loan balances reflected investors' positive view of the future of the farm sector—stable to growing returns on their investment—and the favorable interest rate environment (see Chapter 3). Various measures of the debt burden (see Chapter 4) indicate that the current increase, while a matter of concern, is not threatening to the sector's financial condition. Farm asset values have been rising more rapidly than debt in recent years, as evidenced by the decline in the sector's **debt/asset** ratio from 23 percent in 1985 to 15.1 percent in 1996. Rising debt loads have not produced widespread financial problems for U.S. farmers. While the additional indebtedness may burden farmers' ability to repay in certain geographic areas, it is not expected to precipitate a return of the financial stress experienced in the early 1980's (fig. 7-1). (Financial ratios are defined in Chapter 4.)

Measures of farmers' ability to meet payments on their loans improved slightly in 1996; they remained favorable relative to their levels in the early 1980's. The **farm business debt service coverage** ratio, which assesses the ability of farm businesses to repay interest and principal from current earnings, rose from 2.10 in 1995 to 2.33 in 1996, indicating that farmers had adequate income to service their existing debt. This measure remains above its 1985 level of 1.65. The **debt servicing** ratio was stable at 14 percent during 1992-94, but rose to 15 percent in 1995, and fell back to 14 percent in 1996, indicating that loan payments were taking a smaller portion of current income. In contrast,

principal and interest payments had absorbed 25 percent of gross cash income in 1985. These measures suggest that farmers in the early 1990's were better able to meet the scheduled interest and principal payments on their debt out of current income than they had been during the previous decade.

Debt repayment capacity utilization (fig. 7-2), a measure of the actual debt held compared with the theoretical maximum debt that could be repaid from current income, rose from 45 percent in 1993 to 53 percent in 1994. This measure increased further to 56 percent in 1995, a new high for in the 1990's. The favorable income level reduced this measure to 49 percent in 1996. By comparison, **debt repayment capacity utilization** had reached almost 107 percent in 1981. Recent changes in this measure reflect a reduction in use of total debt repayment capacity, and its level remains favorable compared with the values recorded in 1977-86. (See *Agricultural Income and Finance*, May 1992 or September 1995, for additional information about the use of the debt repayment capacity utilization measure.)

A similar general assessment applies to interest on farm debt. Although rising in 1996, interest payments were a significantly smaller expense item than in the early 1980's. Total interest payments on farm business loans were about \$500 million higher in 1996 than in 1995. This marked the third consecutive increase in interest expenses, which had declined annually from 1982 through 1993. Farm business debt has been rising since reaching a low in 1989, but generally favorable interest rates have restrained interest expenses. Economywide interest rates generally trended upward during the first three quarters of 1996, then declined late in the year. For the year, average interest rates on existing agricultural loans rose, since many production loans had been negotiated before the decline in overall interest rates.

Despite Federal Reserve Bank surveys indicating that the average bank interest rates on new nonreal estate loans fell from 9.5 percent in 1995 to 8.4 percent in 1996, the average rate on all outstanding nonreal estate

loans rose slightly, from 9.5 percent in 1995 to 9.6 percent in 1996. Average interest rates on outstanding loans represent a weighted average of interest rates taken out in 1996 and prior years, while rates charged on new loans better reflect the changes in interest rates in the overall economy. Nonreal estate debt rose 3.8 percent in 1996, reaching over \$74 billion. The simultaneous increases in debt and average interest rates produced a \$300-million increase in nonreal estate interest expense. Real estate interest expense rose over \$200 million, as real estate debt increased 3 percent to \$81.9 billion, and average mortgage rates rose from an estimated 8.01 percent in 1995 to 8.14 percent in 1996.

California, Iowa, and Texas Hold the Most Farm Debt

California's 1996 farm business debt was \$14.9 billion, the largest for any State. Iowa was second with \$11.6 billion, followed by Texas with \$10 billion. Illinois, Nebraska, Minnesota, Kansas, Missouri, and Wisconsin each registered farm debt of over \$5 billion. These nine States accounted for about 50 percent of the farm sector's debt in 1996. The top 12 States (adding Indiana, Oklahoma, and Florida) accounted for 58 percent of all debt outstanding.

Commercial Banks' Farm Debt Share Growth Slows

The share of farm business debt held by commercial banks increased continuously from 21 percent in 1981 to 39.8 percent in 1995. It retreated modestly to 39.5 percent in 1996. Over this period, bank-held farm debt rose from less than \$39 billion to \$61.7 billion. Financing provided by the Farm Credit System (FCS) peaked in 1984 at \$65 billion, declined to about \$35 billion by 1990, and stabilized at that level during the early 1990's. In 1996, FCS debt rose to almost \$40 billion, driven principally by a 12-percent gain in nonreal estate loans outstanding. The Farm Credit System's share of farm debt peaked at 34 percent in 1982, declined to less than 25 percent by 1994, and rebounded to 25.5 percent by the end of 1995. The share held by USDA's Farm Service Agency (formerly FmHA) fell from 16 percent in 1987 to less than 6 percent in 1996, as the agency continued to shift its lending focus from direct loans to guaranteed loans. Individuals and others accounted for about 23 percent of total farm financing in 1996.

Farm Credit System loans were a relatively larger share of debt in the Northeast, Appalachia, and Lake States, while commercial banks were the most important loan source for States in the Corn Belt, Northern Plains, Southern Plains, and Delta States. (See tables 7-1 through 7-6 for details on credit sources by State.)

Figure 7-1

U.S. farm sector debt, selected years

Debt rising in the 1990's, but still below the early 1980's

\$ billion

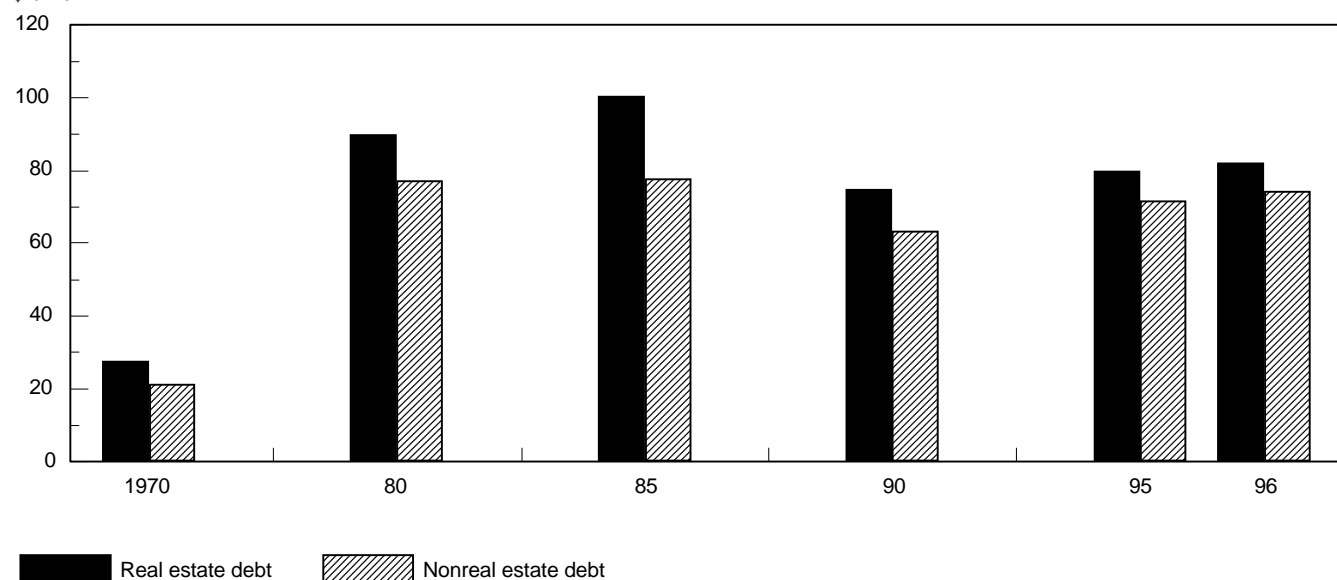


Figure 7-2

Debt capacity utilization, 1970-96

Utilization up for 1995, but close to 1990-95 average

Percent

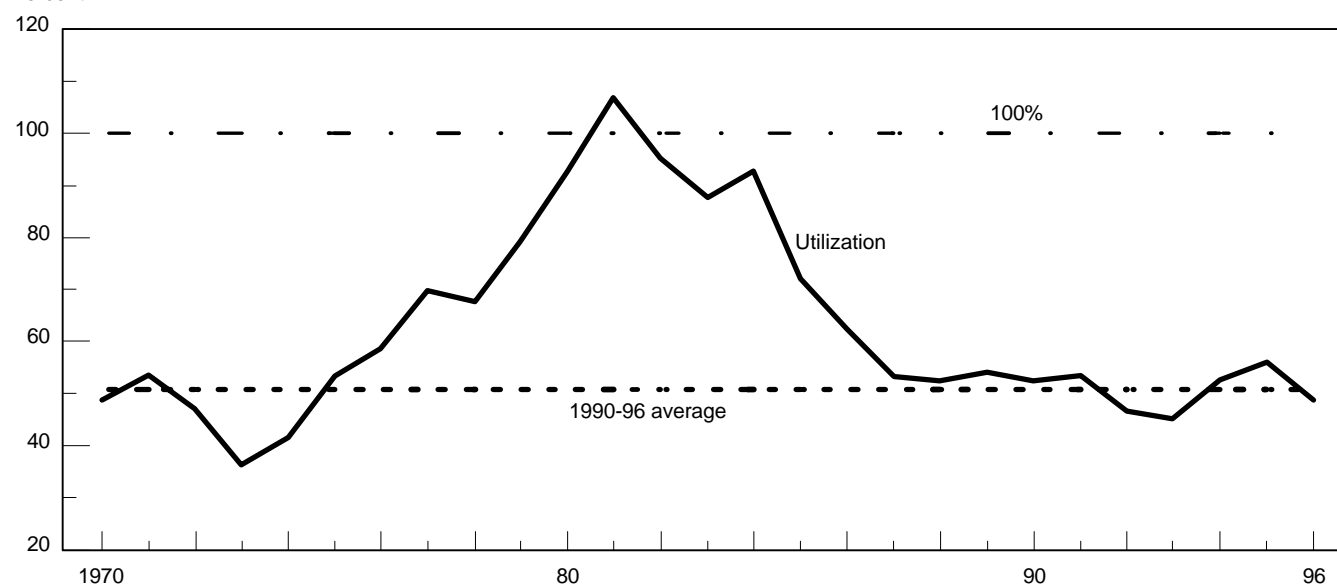


Table 7-1—Real estate farm business debt by State, December 31, 1994

State	Farm Credit System	Farm Service Agency	Life insurance companies	All operating banks	Individual and others	CCC storage and drying loans	Real estate debt ¹
<i>Thousand dollars</i>							
Alabama	206,944	57,793	31,333	300,018	117,813	0	713,902
Alaska	738	430	1,059	3,056	4,732	0	10,014
Arizona	80,550	47,613	157,448	40,194	145,504	0	471,309
Arkansas	563,677	165,868	245,608	721,295	207,552	0	1,904,000
California	2,499,664	199,261	2,761,991	1,088,132	1,405,153	0	7,954,202
Colorado	708,723	71,850	155,735	246,017	387,746	0	1,570,069
Connecticut	52,853	9,760	0	6,038	16,802	0	85,453
Delaware	73,502	9,033	15,848	32,871	23,437	0	154,692
Florida	518,272	86,947	1,253,963	705,138	355,317	0	2,919,637
Georgia	505,224	95,229	113,860	707,181	169,315	0	1,590,809
Hawaii	59,866	27,996	27,388	40,634	10,378	0	166,261
Idaho	513,962	154,956	169,396	41,174	343,081	0	1,222,568
Illinois	1,428,318	211,918	294,804	1,716,251	936,621	0	4,587,912
Indiana	847,404	158,349	274,737	936,633	814,229	0	3,031,351
Iowa	1,327,592	296,163	399,712	1,884,511	2,126,670	0	6,034,648
Kansas	992,580	183,801	138,135	833,226	446,087	0	2,593,830
Kentucky	411,777	184,727	54,970	793,683	298,614	0	1,743,771
Louisiana	254,231	72,611	137,580	217,671	101,967	0	784,060
Maine	27,851	42,877	19,470	6,782	17,426	0	114,406
Maryland	378,975	21,254	20,007	113,607	127,569	0	661,412
Massachusetts	61,407	21,413	24,193	3,872	18,198	0	129,084
Michigan	605,013	118,209	60,576	242,501	400,257	0	1,426,557
Minnesota	1,194,529	190,803	209,912	1,055,273	1,117,941	0	3,768,459
Mississippi	236,590	155,781	236,737	478,967	162,263	0	1,270,338
Missouri	639,723	226,474	164,387	1,210,361	630,706	0	2,871,650
Montana	488,213	134,987	175,748	231,940	587,522	0	1,618,410
Nebraska	835,642	242,987	263,124	1,089,976	677,516	0	3,109,245
Nevada	62,946	13,921	15,235	10,357	54,636	0	157,095
New Hampshire	19,910	6,635	0	4,540	9,084	0	40,170
New Jersey	119,902	24,389	5,554	32,952	76,479	0	259,276
New Mexico	232,845	49,635	63,384	107,323	151,712	0	604,900
New York	348,813	124,882	3,919	157,164	250,287	0	885,064
North Carolina	485,934	132,191	67,897	499,913	174,815	0	1,360,749
North Dakota	684,997	222,164	26,070	366,824	324,551	0	1,624,606
Ohio	718,836	111,957	84,417	677,132	438,393	0	2,030,735
Oklahoma	519,678	213,418	87,753	473,826	364,674	0	1,659,349
Oregon	405,734	83,346	214,667	73,975	568,659	0	1,346,381
Pennsylvania	491,794	92,159	6,464	573,281	245,609	0	1,409,307
Rhode Island	12,792	2,796	0	1,315	1,710	0	18,613
South Carolina	211,027	58,345	7,352	71,383	60,048	0	408,154
South Dakota	459,146	277,414	53,924	325,735	384,416	0	1,500,636
Tennessee	382,843	133,249	25,572	415,871	165,749	0	1,123,285
Texas	1,791,605	281,400	400,561	974,765	1,085,264	0	4,533,595
Utah	93,242	45,528	11,081	43,804	146,950	0	340,604
Vermont	67,711	39,048	0	46,493	33,421	0	186,672
Virginia	705,529	58,681	45,024	251,019	159,808	0	1,220,061
Washington	502,515	104,336	328,250	227,884	400,144	0	1,563,129
West Virginia	71,433	33,738	73,922	77,096	25,345	0	281,535
Wisconsin	671,464	156,440	60,034	918,692	671,005	0	2,477,634
Wyoming	112,584	31,199	61,504	81,057	133,515	0	419,859
United States	24,687,100	5,485,961	9,050,305	21,159,403	17,576,690	0	77,959,458

¹Excluding farm operator residences.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 7-2—Nonreal estate farm business debt by State, December 31, 1994

State	All operating banks	Farm Credit System	Farm Service Agency	Individuals and others	Nonreal estate debt ¹	CCC commodity loans
<i>Thousand dollars</i>						
Alabama	290,185	165,900	47,222	253,560	756,867	21,021
Alaska	3,172	0	22	2,838	6,032	0
Arizona	391,726	104,124	86,113	188,115	770,078	49,876
Arkansas	685,885	257,265	183,613	372,920	1,499,683	433,710
California	3,268,476	1,055,287	394,421	1,272,535	5,990,719	251,778
Colorado	748,187	177,555	52,493	510,923	1,489,158	49,931
Connecticut	4,312	73,149	6,200	29,925	113,587	183
Delaware	36,170	45,638	3,293	66,204	151,306	1,894
Florida	402,201	295,527	111,332	332,311	1,141,371	645
Georgia	428,124	338,439	165,925	338,886	1,271,374	15,685
Hawaii	31,271	14,483	11,993	35,093	92,839	0
Idaho	866,904	170,909	98,486	233,785	1,370,084	25,369
Illinois	2,159,193	277,904	128,370	649,651	3,215,118	683,427
Indiana	838,679	259,116	92,309	452,939	1,643,044	323,133
Iowa	3,241,039	245,724	237,594	976,772	4,701,128	1,137,393
Kansas	2,168,606	230,884	116,552	824,149	3,340,191	119,590
Kentucky	467,910	242,061	98,204	215,887	1,024,062	48,100
Louisiana	330,695	77,715	252,039	161,587	822,036	145,374
Maine	45,536	65,884	52,765	45,626	209,811	68
Maryland	48,872	155,448	14,510	137,863	356,694	13,268
Massachusetts	57,629	58,218	14,804	29,662	160,313	140
Michigan	368,419	415,717	151,098	281,782	1,217,016	93,104
Minnesota	2,037,930	623,563	236,093	656,698	3,554,284	736,748
Mississippi	446,365	131,206	355,565	217,410	1,150,546	220,569
Missouri	1,247,116	207,078	141,411	395,006	1,990,610	163,881
Montana	620,590	68,845	163,610	144,687	997,733	64,882
Nebraska	3,000,335	251,502	145,374	963,400	4,360,610	519,837
Nevada	13,041	34,120	7,917	23,469	78,547	0
New Hampshire	233	17,621	5,257	11,791	34,902	0
New Jersey	8,680	73,528	31,282	44,218	157,708	3,543
New Mexico	229,207	105,954	30,209	153,476	518,845	9,489
New York	347,138	470,622	196,105	257,397	1,271,262	29,664
North Carolina	435,819	669,655	86,174	424,170	1,615,818	37,870
North Dakota	1,064,406	414,013	271,271	235,563	1,985,253	146,665
Ohio	520,379	330,859	79,858	378,576	1,309,672	184,319
Oklahoma	1,500,900	144,180	247,269	341,996	2,234,345	16,413
Oregon	464,473	121,332	60,922	172,439	819,165	6,843
Pennsylvania	252,705	348,167	114,590	343,740	1,059,202	16,729
Rhode Island	285	14,410	1,881	3,688	20,264	0
South Carolina	68,330	157,051	104,536	111,702	441,619	11,943
South Dakota	1,440,521	200,655	253,494	277,341	2,172,011	229,820
Tennessee	310,519	209,861	116,760	239,774	876,914	99,665
Texas	2,944,909	669,983	595,189	1,175,902	5,385,983	155,842
Utah	167,111	55,570	36,867	69,632	329,179	2,615
Vermont	15,216	83,312	15,174	44,200	157,902	76
Virginia	159,722	228,432	78,195	198,367	664,715	14,881
Washington	1,045,708	91,290	64,324	272,155	1,473,476	25,142
West Virginia	26,355	39,942	21,651	34,402	122,349	1,203
Wisconsin	1,149,100	657,915	215,027	492,611	2,514,653	123,152
Wyoming	329,459	32,837	24,277	93,179	479,753	1,544
United States	36,729,743	11,180,450	6,019,640	15,190,002	69,119,831	6,237,024

¹Excluding farm operator residences.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 7-3—Real estate farm business debt by State, December 31, 1995

State	Farm Credit System	Farm Service Agency	Life insurance companies	All operating banks	Individual and others	CCC storage and drying loans	Real estate debt ¹
<i>Thousand dollars</i>							
Alabama	232,994	51,419	25,089	326,828	121,262	0	757,592
Alaska	541	283	0	453	4,859	0	6,137
Arizona	88,884	38,243	148,601	58,854	149,395	0	483,976
Arkansas	606,477	151,411	262,862	768,624	213,449	0	2,002,824
California	2,559,878	180,210	2,790,127	1,087,313	1,444,610	0	8,062,138
Colorado	782,274	69,342	143,470	285,344	398,800	0	1,679,230
Connecticut	52,618	8,169	0	4,485	17,252	0	82,524
Delaware	85,845	5,911	14,836	33,929	24,096	0	164,617
Florida	520,182	78,865	1,188,067	636,989	365,080	0	2,789,183
Georgia	519,348	80,722	114,456	799,575	174,254	0	1,688,354
Hawaii	51,708	27,480	12,793	5,201	10,656	0	107,838
Idaho	497,305	136,412	194,084	45,789	352,999	0	1,226,590
Illinois	1,475,221	197,374	294,935	1,759,932	962,690	0	4,690,151
Indiana	832,696	138,156	273,332	958,059	837,658	0	3,039,902
Iowa	1,334,364	291,384	386,766	2,003,895	2,186,071	0	6,202,480
Kansas	1,030,170	174,475	130,316	881,451	458,609	0	2,675,021
Kentucky	435,890	171,112	48,620	843,751	306,691	0	1,806,063
Louisiana	258,669	61,376	126,361	234,570	104,855	0	785,831
Maine	20,460	38,858	32,122	8,269	17,892	0	117,602
Maryland	346,031	21,710	19,040	99,296	131,211	0	617,289
Massachusetts	58,838	7,390	22,677	4,179	18,684	0	111,768
Michigan	620,462	109,550	55,274	252,542	411,804	0	1,449,632
Minnesota	1,188,882	186,366	215,888	1,149,837	1,149,689	0	3,890,662
Mississippi	254,798	139,824	248,874	525,871	166,948	0	1,336,316
Missouri	771,389	212,242	159,749	1,299,330	649,067	0	3,091,776
Montana	398,286	123,691	177,539	257,497	603,998	0	1,561,011
Nebraska	830,571	235,022	292,442	1,146,884	696,312	0	3,201,231
Nevada	63,569	12,766	17,891	1,814	56,096	0	152,136
New Hampshire	20,199	4,558	0	4,330	9,327	0	38,414
New Jersey	115,499	23,440	244	28,942	78,625	0	246,750
New Mexico	256,955	43,004	64,900	122,941	155,769	0	643,569
New York	334,634	116,867	3,581	147,303	257,441	0	859,827
North Carolina	487,837	113,823	71,908	564,443	179,541	0	1,417,552
North Dakota	681,126	214,229	27,879	383,063	333,551	0	1,639,848
Ohio	724,024	100,590	89,776	692,075	451,105	0	2,057,571
Oklahoma	520,643	202,746	132,358	524,166	375,337	0	1,755,250
Oregon	357,587	73,144	223,873	104,684	585,491	0	1,344,779
Pennsylvania	478,074	85,098	5,585	612,503	252,605	0	1,433,865
Rhode Island	12,449	16,168	0	976	1,755	0	31,349
South Carolina	203,528	52,098	3,315	56,327	61,792	0	377,059
South Dakota	464,027	267,729	73,014	377,608	395,217	0	1,577,595
Tennessee	401,343	117,282	26,188	440,537	170,181	0	1,155,532
Texas	1,864,506	262,585	397,337	1,049,110	1,116,248	0	4,689,786
Utah	98,462	42,721	10,987	46,325	150,879	0	349,374
Vermont	69,373	36,728	18	40,991	34,315	0	181,424
Virginia	652,604	51,489	40,205	258,130	164,115	0	1,166,544
Washington	418,594	92,933	358,315	256,576	411,610	0	1,538,027
West Virginia	66,884	31,937	69,340	75,861	26,030	0	270,053
Wisconsin	700,114	144,564	59,392	996,104	690,453	0	2,590,626
Wyoming	91,577	29,874	61,816	94,534	137,342	0	415,143
United States	24,938,389	5,073,370	9,116,242	22,358,090	18,073,716	0	79,559,811

¹Excluding farm operator residences.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 7-4—Nonreal estate farm business debt by State, December 31, 1995

State	All operating banks	Farm Credit System	Farm Service Agency	Individuals and others	Nonreal estate debt ¹	CCC commodity loans
<i>Thousand dollars</i>						
Alabama	304,040	187,741	38,926	269,919	800,627	10,048
Alaska	2,415	0	248	3,021	5,684	0
Arizona	327,694	129,967	67,062	200,251	724,974	19,462
Arkansas	767,670	300,809	147,194	396,980	1,612,654	350,443
California	3,503,880	1,084,850	318,862	1,354,633	6,262,225	232,644
Colorado	821,932	192,899	47,641	543,885	1,606,358	18,597
Connecticut	2,081	78,495	4,632	31,856	117,064	196
Delaware	23,603	53,204	2,006	70,476	149,288	715
Florida	365,618	354,182	85,766	353,751	1,159,317	148
Georgia	532,402	435,906	135,125	360,750	1,464,183	5,434
Hawaii	33,564	10,786	13,188	37,357	94,894	0
Idaho	858,403	191,724	77,158	248,868	1,376,153	17,637
Illinois	2,276,665	322,068	104,487	691,563	3,394,782	240,572
Indiana	874,136	286,679	73,340	482,161	1,716,316	152,608
Iowa	3,221,649	277,080	202,055	1,039,790	4,740,573	382,623
Kansas	2,114,393	250,673	104,812	877,320	3,347,197	22,381
Kentucky	473,677	278,813	82,724	229,815	1,065,028	26,509
Louisiana	381,130	82,376	189,871	172,013	825,388	123,124
Maine	50,355	70,129	50,916	48,570	219,969	44
Maryland	47,044	141,618	14,148	146,758	349,568	8,034
Massachusetts	25,257	64,146	6,082	31,575	127,059	108
Michigan	355,613	487,079	130,041	299,961	1,272,694	49,136
Minnesota	2,151,792	756,709	208,748	699,065	3,816,315	345,507
Mississippi	487,734	154,083	293,124	231,436	1,166,377	185,238
Missouri	1,341,047	243,696	116,615	420,490	2,121,847	60,012
Montana	636,944	73,281	142,478	154,022	1,006,724	38,988
Nebraska	3,069,653	278,158	126,245	1,025,555	4,499,611	141,881
Nevada	15,695	35,415	8,041	24,983	84,134	0
New Hampshire	762	20,276	2,783	12,552	36,373	0
New Jersey	8,499	84,494	30,804	47,070	170,867	2,344
New Mexico	234,602	114,024	25,883	163,378	537,886	4,294
New York	373,655	493,696	176,378	274,003	1,317,732	24,100
North Carolina	469,723	873,813	67,535	451,536	1,862,607	14,779
North Dakota	1,145,167	439,313	245,485	250,760	2,080,726	66,730
Ohio	561,514	358,839	61,773	403,001	1,385,127	84,052
Oklahoma	1,369,356	145,851	217,367	364,059	2,096,633	3,924
Oregon	472,958	133,993	54,358	183,564	844,872	2,936
Pennsylvania	252,362	337,718	106,256	365,916	1,062,253	9,485
Rhode Island	0	14,297	11,546	3,926	29,770	0
South Carolina	64,640	202,953	80,635	118,908	467,136	4,245
South Dakota	1,418,550	203,839	219,278	295,234	2,136,900	84,932
Tennessee	349,427	222,609	94,835	255,243	922,114	75,251
Texas	3,007,590	703,942	506,088	1,251,767	5,469,387	89,770
Utah	174,443	56,527	35,039	74,124	340,133	2,113
Vermont	13,821	90,082	15,603	47,052	166,557	123
Virginia	159,236	239,205	65,308	211,165	674,914	6,817
Washington	1,069,883	106,973	52,733	289,713	1,519,302	14,088
West Virginia	25,409	37,370	21,936	36,621	121,335	1,064
Wisconsin	1,165,394	731,923	187,326	524,392	2,609,036	55,162
Wyoming	345,137	38,135	21,101	99,191	503,563	725
United States	37,748,214	12,472,438	5,091,585	16,169,999	71,482,226	2,979,023

¹Excluding farm operator residences.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 7-5—Real estate farm business debt by State, December 31, 1996

State	Farm Credit System	Farm Service Agency	Life insurance companies	All operating banks	Individual and others	CCC storage and drying loans	Real estate debt ¹
<i>Thousand dollars</i>							
Alabama	263,968	44,686	24,235	338,821	124,420	0	796,130
Alaska	493	642	0	1,058	4,985	0	7,179
Arizona	109,441	34,380	132,331	42,974	153,286	0	472,411
Arkansas	636,357	139,321	288,561	791,651	219,009	0	2,074,898
California	2,651,820	167,706	2,872,123	1,123,680	1,482,230	0	8,297,559
Colorado	819,949	64,497	141,869	308,043	409,185	0	1,743,543
Connecticut	48,774	7,372	0	6,274	17,701	0	80,120
Delaware	85,758	5,400	0	37,347	24,724	0	153,229
Florida	503,019	71,087	1,178,999	559,905	374,587	0	2,687,597
Georgia	495,728	70,495	150,909	860,950	178,792	0	1,756,873
Hawaii	50,873	26,533	12,233	4,465	10,933	0	105,036
Idaho	502,576	123,262	230,853	42,449	362,192	0	1,261,332
Illinois	1,494,153	186,639	318,095	1,894,184	987,759	0	4,880,830
Indiana	849,387	129,030	295,734	949,110	859,473	0	3,082,734
Iowa	1,482,981	273,431	414,406	2,089,485	2,243,000	0	6,503,303
Kansas	1,043,899	165,966	132,937	879,116	470,552	0	2,692,470
Kentucky	488,043	158,922	48,772	853,781	314,677	0	1,864,195
Louisiana	280,201	52,491	108,412	233,556	107,585	0	782,245
Maine	18,161	35,779	42,859	8,246	18,357	0	123,402
Maryland	338,390	20,034	19,734	96,843	134,628	0	609,629
Massachusetts	56,184	20,139	20,731	4,623	19,171	0	120,848
Michigan	643,997	102,066	50,398	270,937	422,528	0	1,489,926
Minnesota	1,204,717	178,250	250,847	1,203,611	1,179,629	0	4,017,053
Mississippi	277,635	126,827	247,451	587,165	171,297	0	1,410,375
Missouri	794,168	198,827	159,296	1,410,743	665,969	0	3,229,003
Montana	388,875	115,678	204,446	279,709	619,727	0	1,608,435
Nebraska	915,094	221,636	318,892	1,198,959	714,445	0	3,369,026
Nevada	64,866	10,881	12,069	3,272	57,558	0	148,646
New Hampshire	19,660	4,151	0	3,650	9,570	0	37,031
New Jersey	245,015	22,554	242	20,922	80,673	0	369,406
New Mexico	288,104	39,826	69,970	134,891	159,826	0	692,617
New York	302,980	111,910	7,136	156,611	264,146	0	842,783
North Carolina	462,987	102,074	87,054	587,654	184,216	0	1,423,986
North Dakota	666,124	204,801	32,723	413,011	342,237	0	1,658,896
Ohio	772,931	92,987	95,820	728,017	462,853	0	2,152,608
Oklahoma	587,652	194,590	157,536	557,341	385,111	0	1,882,230
Oregon	352,861	66,306	214,263	79,535	600,738	0	1,313,702
Pennsylvania	454,761	81,203	683	638,057	259,183	0	1,433,888
Rhode Island	11,227	2,607	0	110	1,801	0	15,745
South Carolina	188,202	47,148	5,845	68,445	63,401	0	373,042
South Dakota	471,151	244,076	80,829	416,130	405,509	0	1,617,696
Tennessee	425,658	106,260	26,463	463,093	174,613	0	1,196,087
Texas	1,946,217	250,558	452,383	1,107,521	1,145,317	0	4,901,996
Utah	98,535	39,871	9,964	61,256	154,808	0	364,434
Vermont	65,869	34,613	17	39,313	35,208	0	175,019
Virginia	628,099	46,692	35,083	248,738	168,388	0	1,127,000
Washington	452,728	83,968	331,283	281,393	422,329	0	1,571,701
West Virginia	60,994	30,788	63,603	82,117	26,707	0	264,209
Wisconsin	711,215	132,487	70,907	1,081,694	708,434	0	2,704,736
Wyoming	96,900	27,533	74,438	103,098	140,918	0	442,888
United States	25,819,377	4,718,980	9,493,434	23,353,554	18,544,385	0	81,929,727

¹Excluding farm operator residences.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 7-6—Nonreal estate farm business debt by State, December 31, 1996

State	All operating banks	Farm Credit System	Farm Service Agency	Individuals and others	Nonreal estate debt ¹	CCC commodity loans
<i>Thousand dollars</i>						
Alabama	275,364	199,411	43,173	291,185	809,134	32,485
Alaska	1,629	4	598	3,259	5,491	25
Arizona	197,656	139,729	31,077	216,029	584,491	4,438
Arkansas	745,541	309,084	129,521	428,257	1,612,404	311,459
California	3,843,161	1,159,899	155,016	1,461,362	6,619,438	93,184
Colorado	850,150	264,258	60,123	586,737	1,761,269	27,084
Connecticut	6,709	82,588	7,094	34,366	130,756	180
Delaware	19,099	53,810	5,073	76,028	154,010	2,120
Florida	348,597	412,637	64,676	381,622	1,207,531	780
Georgia	590,667	512,096	67,540	389,173	1,559,476	24,373
Hawaii	28,988	8,589	24,195	40,301	102,073	0
Idaho	643,236	270,342	115,505	268,476	1,297,558	26,951
Illinois	2,500,683	366,211	170,857	746,050	3,783,802	300,064
Indiana	872,221	341,942	121,717	520,150	1,856,030	169,955
Iowa	3,440,058	326,118	250,496	1,121,712	5,138,384	492,149
Kansas	1,963,418	283,428	153,508	946,442	3,346,796	43,307
Kentucky	506,873	311,346	151,867	247,922	1,218,008	25,612
Louisiana	355,026	89,338	49,053	185,565	678,982	156,854
Maine	59,481	80,345	34,046	52,397	226,270	86
Maryland	50,689	144,166	19,100	158,320	372,275	11,123
Massachusetts	11,528	72,658	19,254	34,063	137,502	113
Michigan	362,367	576,396	98,442	323,595	1,360,801	39,696
Minnesota	2,231,135	933,900	167,943	754,143	4,087,121	417,164
Mississippi	450,196	157,573	121,664	249,671	979,103	180,432
Missouri	1,418,439	275,393	189,481	453,619	2,336,933	101,454
Montana	650,524	78,550	106,590	166,156	1,001,820	55,594
Nebraska	3,126,606	307,204	202,186	1,106,356	4,742,352	245,919
Nevada	8,163	35,528	10,359	26,952	81,002	60
New Hampshire	733	24,918	4,001	13,541	43,193	0
New Jersey	6,306	83,905	21,160	50,779	162,150	3,151
New Mexico	226,095	140,460	36,226	176,250	579,032	10,885
New York	328,219	538,561	106,808	295,591	1,269,179	21,039
North Carolina	472,932	986,970	97,200	487,112	2,044,214	20,137
North Dakota	1,253,815	511,374	186,296	270,517	2,222,002	162,217
Ohio	650,822	448,397	88,723	434,752	1,622,694	74,916
Oklahoma	1,365,520	167,144	185,057	392,743	2,110,463	5,815
Oregon	459,101	149,616	63,765	198,027	870,508	5,502
Pennsylvania	268,812	355,493	77,774	394,747	1,096,826	12,065
Rhode Island	0	12,927	2,503	4,236	19,666	0
South Carolina	66,487	249,046	45,150	128,277	488,960	4,887
South Dakota	1,426,701	212,178	224,715	318,494	2,182,088	136,349
Tennessee	318,685	259,208	102,813	275,354	956,059	107,036
Texas	2,797,149	676,839	233,681	1,350,391	5,058,060	82,763
Utah	386,641	69,904	37,605	79,965	574,116	2,330
Vermont	12,425	96,450	32,608	50,759	192,242	108
Virginia	173,410	244,764	44,230	227,802	690,206	9,916
Washington	1,039,575	123,340	78,706	312,539	1,554,159	37,985
West Virginia	22,719	36,150	29,840	39,507	128,216	1,259
Wisconsin	1,172,863	792,249	127,659	565,708	2,658,479	46,008
Wyoming	336,591	42,661	25,560	107,006	511,819	1,466
United States	38,343,805	14,015,097	4,422,234	17,444,005	74,225,143	3,508,495

¹Excluding farm operator residences.

Source: Economic Research Service, U.S. Department of Agriculture.